

# Federal Income Tax Withholding Formula

## Withholding Formula ►(Effective Pay Period 26, 2009)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes dental and vision insurance program, and flexible spending account – health care and dependent care deductions) from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
5. Determine the exemption allowance by applying the following guideline. Subtract this amount from the annual wages to obtain the taxable income.

Exemption Allowance = \$3,650 x Number of Exemptions

6. Apply the taxable income computed in step 5 to the following table to determine the Federal income tax withholding.

**Tax Withholding Table**  
**Single or Head of Household**

If the Amount of Taxable Income Is:		The Amount of Federal Income Tax Withholding Should Be:			
Not more than ►\$6,050◄		\$0			
Over:	But Not Over:	Of Excess Over:			
\$ ►6,050.00	\$ 10,425.00	\$ 0	plus	10%	\$ 6,050.00
10,425.00	36,050.00	437.50	plus	15%	10,425.00
36,050.00	67,700.00	4,281.25	plus	25%	36,050.00
67,700.00	84,450.00	12,193.75	plus	27%	67,700.00
84,450.00	87,700.00	16,716.25	plus	30%	84,450.00
87,700.00	173,900.00	17,691.25	plus	28%	87,700.00
173,900.00	375,700.00	41,827.25	plus	33%	173,900.00
375,700.00	and over	108,421.25	plus	35%	375,700.00◄

If the Amount of Taxable Income Is:		Married				The Amount of Federal Income Tax Withholding Should Be:	
Not more than \$ ▶13,750◀						\$0	
Over:	But Not Over:					Of Excess Over:	
\$ ▶13,750.00	\$ 24,500.00	\$	0	plus	10%	\$	13,750.00
24,500.00	75,750.00		1,075.00	plus	15%		24,500.00
75,750.00	94,050.00		8,762.50	plus	25%		75,750.00
94,050.00	124,050.00		13,337.50	plus	27%		94,050.00
124,050.00	145,050.00		21,437.50	plus	25%		124,050.00
145,050.00	217,000.00		26,687.50	plus	28%		145,050.00
217,000.00	381,400.00		46,833.50	plus	33%		217,000.00
381,400.00	and over		101,085.50	plus	35%		381,400.00◀

7. Divide the annual Federal income tax withholding by 26 to obtain the biweekly Federal income tax withholding.